

**SECRET**

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NSC on Poland  
19 December 1981

This is today's Berlin Wall--failure to respond will resound through the 80s.

Treat debt rescheduling on financial merits making "exceptional circumstances" clause which would impact Poland and not Soviet Union--would also jeopardize European lenders who have the major interest.

- Cancel Harvester and Caterpillar licenses
- Put energy-related equipment on restricted list
- Urge Allies to pull back on Siberian pipeline
- Insist that steps to protect our military assets be addressed at CoCOM in January
- Mistake to sign Madrid agreement
- Suspend negotiations on Maritime agreement

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